

Report No.

London Borough of Bromley

PART ONE - PUBLIC

Decision Maker: GENERAL PURPOSES AND LICENSING COMMITTEE

Date: 3rd November 2022

Decision Type: Non-Urgent Non-Executive Non-Key

Title: Teacher Pay Policy 2022/23 – Centrally Based Staff

Contact Officer: Charles Obazuaye Director of HR & Customer Services and Public Affairs
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Chief Officer: Director of HR & Customer Services and Public Affairs

Ward: N/A

1. Reason for report

1.1 From 1 September 2022 revised arrangements came into force in relation to Teachers' Pay and Conditions through the publication of the statutory 2022 School Teachers' Pay and Conditions Document.

1.2 This report sets out the main changes.

2. **RECOMMENDATION(S)**

2.1 That Members note and comment on the report;

2.2 That Members note from 1st September 2022 a statutory 5% increase to all pay and allowance ranges and advisory points for Teaching Staff, with higher increases to some parts of the Main Pay Range.

2.3 That Members authorise officers to apply the % statutory increases to Teacher Pay Scales as set out in the School Teachers' Pay and Conditions Document 2022 and to update the Centrally Based Teaching Staff Pay Policy for 1st September 2022. There are no other required changes to the Policy this year.

Impact on Vulnerable Adults and Children

1. There is no impact on vulnerable adults arising from this report however the teaching staff referred to in this report are specialist teaching staff delivering educational services to pupils with complex special needs.

Corporate Policy

1. Policy Status: Existing Policy
2. Making Bromley Even Better Ambitions Framework: Learning and Living well, Transforming Our Services.

Financial

1. Cost of proposal: £83k in 2022/23
2. Ongoing costs: £142k full year effect in 2023/24
3. Budget head/performance centre: Various
4. Total current budget for this head: Various salary budgets
5. Source of funding: DSG

Personnel

1. Number of staff (current and additional):

All Teachers and Heads of Service centrally employed in Education Services i.e.

- Specialist Support and Disability Services (The Phoenix Centre)
- Sensory Support Services
- Primary Pupil Support Advisory Team

As at 1st September 2022 this comprised **57** staff (**45.43** FTE) employed on Teacher Terms and Conditions of employment.

2. If from existing staff resources, number of staff hours: N/A.

Legal

1. Legal Requirement: Statutory Requirement Sections 122 and 127 Education Act 2002
2. Call-in: Applicable

Procurement

1. N/A

Customer Impact

1. Estimated number of users/beneficiaries (current and projected): N/A
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Ward Councillor Views

1. Have Ward Councillors been asked for comments? Not Applicable
2. Summary of Ward Councillors comments: N/A

3. COMMENTARY

- 3.1 The Education Act 2002 gives the Secretary of State power to prescribe pay and conditions and to issue guidance on pay and conditions matters, to which those concerned must have regard.
- 3.2 The statutory requirements for teachers' pay and conditions for maintained schools in England and Wales are set out in the School Teachers' Pay and Conditions Document, which is published annually, and schools and local authorities (LAs) must abide by these. LAs and governing bodies are also required to have regard to the statutory guidance issued in conjunction with the document, and in respect of guidance on procedural matters a court or tribunal may take any failure to do so into account in any proceedings.
- 3.3 In accordance with the requirements of the School Teachers' Pay and Conditions Document, the LA as the "relevant body" is required to have in place a pay policy setting out the arrangements for determining pay arrangements for all centrally based teaching staff.
- 3.4 Each year the School Teachers' Review Body (STRB) is provided with a remit from the Secretary of State to review Teachers' Pay. The remit focuses on specific areas as well as pay trends in general. The school teachers' review body consults with employers, teacher organisations and Unions and reports back to the Secretary of State its findings and recommendations. The Secretary of State then determines whether or not to accept the proposals put forward by the review body.
- 3.5 In making its recommendations, the STRB was asked this year to have regard to the following:
- An assessment of the adjustments that should be made to the salary and allowance ranges for classroom teachers, unqualified teachers and school leaders to promote recruitment and retention, within the bounds of affordability across the school system as a whole and in the light of the view on the need for an uplift to starting salaries to £30,000, whilst noting the additional funding for schools announced at the 2021 Spending Review;
 - As part of this, recommendations for the pay awards for both 2022/23 and 2023/24 to assist School's in planning their budgets;
 - Evidence of the national state of teacher and school leader supply, including rates of recruitment and retention, vacancy rates and the quality of candidates entering the profession;
 - Evidence of the wider state of the labour market in England;
 - Forecast changes in the pupil population and consequent changes in the level of demand for teachers;
 - The Government's commitment to the autonomy of all head teachers and governing bodies to develop pay arrangements that are suited to the individual circumstances of their schools and to determine teachers' pay within the statutory minima and maxima.

The remit also acknowledged the broader structural issues that the STRB had identified in previous reports and invited the Review Body to include in its report wider issues that it would like any future remit to include for consideration.

A copy of the 32nd Review Body full report including a copy of its Executive Summary can be found at the following link:

3.6 This year, the Review Body made the following recommendations:

- From September 2022, a 5% increase to all pay and allowance ranges and advisory points, with higher increases to some parts of the Main Pay Range as a step towards achieving a minimum starting salary for Early Career Teachers of £30,000 by September 2023. *(Details of the application of the % increases across all ranges for the whole of England can be found in the STRB Report at the above link). For Teachers in the Outer London Area the increases to the Main and Upper Threshold scales are as set out below).*

Pay Scale Point	Revised Salary	% Increase
M1	£32,407	8.3
M2	£34,103	7.9
M3	£35,886	7.5
M4	£37,763	7.1
M5	£40,050	5.3
M6	£43,182	5.0
U1	£44,687	5.0
U2	£46,340	5.0
U3	£48,055	5.0

(For those employed on the Leadership scale all pay point increases are set at 5%).

- From September 2023, a 3% increase to all pay and allowance ranges and advisory points, with higher increases to some parts of the Main Pay Range to deliver a minimum starting salary of £30,000, and a limited scope, timely review mechanism to ensure that the recommended 2023 pay levels remain appropriate.

These recommendations were accepted in full by the Secretary of State with the exception that the Government has decided it is appropriate to confirm teachers' salaries for the next academic year only, rather than the two years initially proposed, and return to the usual timeframe for the pay setting process for 2023/24.

- 3.7 Under the current pay system, it remains as in previous years for school leaders, governing bodies and Local Authorities to determine how to implement, in their individual schools, and Education Services the changes to the School Teachers' Pay and Conditions Document (STPCD) arising from the STRB recommendations.
- 3.8 The DfE carried out extensive consultation with relevant parties (see 3.18 below) and the School Teachers' Pay and Conditions Order was laid before parliament in October 2022, with implementation of the 2022 School Teachers Pay and Conditions Document backdated to the 1st September 2022.
- 3.9 The new pay and conditions document continues to provide flexibility for relevant bodies in relation to reward and performance of staff. Each School and LA is required to determine its own specific pay policy tailored to the needs of the individual school/service.
- 3.10 In light of the recommendations of the review body the Council needs to review its pay policy and determine whether any changes are required.

STRB Commentary

- 3.11 In developing its recommendations, the STRB has drawn on the written and oral evidence provided by the Department for Education and its consultees as well as a wide range of economic and school workforce data. During the last year, the COVID-19 pandemic continued to have an impact on schools with ongoing challenges including the management of staff and pupil absences, the continued requirement to ensure COVID-19 compliance and the implementation of the Government's catch-up programme. The STRB commended everyone who has continued to work to meet these challenges.
- 3.12 The recent economic climate has been characterised by high levels of inflation, with resultant increases to pay awards and earnings growth, and a labour market that continues to tighten. The volatility in the current economic data and the unpredictability for the two-year remit period have been important factors in the STRB's considerations.
- 3.13 In terms of the teacher labour market, the STRB's analysis has continued to find that recruitment and retention rates are below the required levels in some regions, school types and for some key secondary school subjects.
- 3.14 While pay is not the sole determinant of recruitment, retention and morale, it is an important influence on them, both for career starters and experienced teachers. The STRB's view is that it is necessary and appropriate to exceed the Government's proposed general pay increases for experienced teachers (of 3% in 2022 and 2% in 2023) in order to address the risks to teacher supply while balancing the needs of affordability. The STRB believes its recommendations achieve this balance and are appropriate and supportive of long-term value for money.
- 3.15 The STRB agree with the Government's proposals to significantly improve the competitiveness of teachers' starting pay. It judges that a greater increase than the Government proposes is necessary for experienced teachers and school leaders in order to support retention. It is conscious that even a relatively small increase in leaving rates in these groups would result in significant additional numbers of teachers exiting the profession.
- 3.16 The STRB welcomed the remit's scope for multi-year recommendations as it promotes long-term planning and certainty around the delivery of a £30,000 minimum salary for teachers. The STRB is, though, mindful of the volatility of some of the key variables that determine whether levels of pay are appropriately competitive. It concluded, after careful reflection, that a limited-scope review mechanism is necessary to prevent teacher pay falling behind if average earnings growth is materially higher than expected, and this is therefore an integral feature of its pay recommendation for September 2023.
- 3.17 In terms of future priorities, the STRB set out its observations on a number of matters affecting recruitment, retention and morale that it considers to be priority areas for further review. The STRB view the first three of these as being particularly pressing:
- Career paths and pay structures for teachers and school leaders.
 - Pay progression, including the appropriate use of performance, or capability related pay.
 - Teacher shortages including by subject, geographical area and experience.
 - Flexible ways of working to support wellbeing.
 - Support for the broader state-school sector, including the academy sector.

3.18 CONSULTATION

DFE

- 3.19 The Secretary of State, accepted in full the STRB's recommendations (with the exception of the proposed two year pay award) and in a statement made on the 19th July he said:
- 3.20 "Teachers across the country will benefit from pay increases of between 5% and 8.9% from September, as the government has today (Tuesday 19 July) fully accepted pay recommendations from the independent School Teachers' Review Body for the next academic year.
- 3.21 The starting salary for teachers outside London will rise by 8.9%, with salaries reaching £28,000 in the 2022/23 academic year. This means that the Government is making good progress towards meeting its manifesto commitment for new teacher pay to rise to £30,000 and from September a new teacher will receive over £2,000 more than this year.
- 3.22 The competitive new starting salary will help attract top quality talent and further raise the status of the teaching profession. Those in the early stages of their careers will also benefit from significant increases, ranging from 5% to 8% depending on experience.
- 3.23 Pay for experienced teachers who have been in the profession for more than five years will rise by 5% in the next academic year – an increase on the Government's initial proposal of 3%, in recognition of the broader economic context and the STRB's recommendations. The rise is equivalent to an increase of almost £2,100 on the average salary of £42,400 this year.
- 3.24 Teachers are the fabric of our school system and it is their dedication and skill that ensures young people can leave school with the knowledge and opportunities they need to get on in life.
- 3.25 We are delivering significant pay increases for all teachers despite the present economic challenges, pushing teacher starting salaries up towards the £30,000 milestone and giving experienced teachers the biggest pay rise in a generation. This will attract even more top-quality talent to inspire children and young people and reward teachers for their hard work.
- 3.26 Today's pay award – alongside the suite of high quality, free to access training courses available to teachers – is part of the Government's drive to make sure there is an excellent teacher in every classroom across the country, helping ensure that wherever a child lives they have the quality of education and the opportunities they deserve.
- 3.27 The government is targeting early career teacher pay with the highest percentage uplifts as this is where salaries can most effectively support recruitment and retention. Those in the first five years of their careers will see pay rises of between 5% and 8.9%, supporting teachers on the lowest incomes where the cost of living pressures are felt most.
- 3.28 Pay awards this year strike a careful balance between recognising the vital importance of public sector workers, whilst delivering value for the taxpayer and managing the broader economic context. The 5% pay rise for experienced teachers is intended as a responsible solution to both supporting teachers with the cost of living and the sound management of schools' budgets. By contrast, double digit pay awards for public sector workers would lead to sustained higher levels of inflation. This would have a far bigger impact on people's real incomes in the long run than the proportionate and balanced pay increases recommended by the independent Pay Review Bodies now.
- 3.29 The Government has decided it is appropriate to confirm teachers' salaries for the next

academic year only, rather than the two years initially proposed, and return to the usual timeframe for the pay setting process for 2023/24.

- 3.30 Academies, as usual, have the freedom to set their own pay policies.
- 3.31 The pay uplifts come alongside provisional school funding figures released today for the 2023/24 financial year, in which the core schools budget is set to receive a £1.5 billion boost. This extra money builds on this year's increase of £4 billion, which schools are already benefitting from. It means that in the 2023-24 financial year, primary school pupils will attract £5,023 on average and secondary school pupils will attract £6,473 on average.
- 3.32 Taken together with the funding increases seen this year, funding through the schools NFF will be 7.9% higher per pupil in 2023-24, compared to 2021-22."

The Department's views

- 3.33 In its evidence, the Department emphasised the critical role that teachers play in the lives and education of pupils and suggested the pay system is crucial in positioning a career in teaching amongst the most competitive in the labour market. The Department's evidence also commented on the dedication shown by teachers during the pandemic in ensuring that education continued to be delivered.
- 3.34 The Department's pay proposals for the two-year remit period were set within the wider context of policies aimed at supporting teachers. It recognised that the STRB's 2020 recommendations had made progress to a reformed pay progression pathway and asked the STRB to consider how the progress could be continued.
- 3.35 The Department said its Schools White Paper (since published) would set out its long-term vision for schools, with excellent teachers at the heart of its proposals.
- 3.36 The Department suggested there was strong evidence from international studies and economic theory to support the positive impact of targeting pay at the early career stage and that a £30,000 starting salary would improve teacher recruitment and retention. It outlined some of the benefits it saw, including:
- Having a strong public impact ('cut through'), signalling investment in teachers and reinforcing the perception of teaching as a valued profession.
 - Increasing the competitiveness of teacher pay and, thereby, the status of the profession and driving up teacher quality through greater competition to enter the profession.
 - Additional quality gains from improving retention in the early years of a teacher's career when effectiveness improves significantly, with consequential improvements to pupil outcomes.
 - Financial efficiencies of not having to reinvest in teachers lacking such experience.
- 3.37 The Department suggested that the benefits of a £30,000 starting salary demonstrated the need to target a pay award towards early-career teachers, where retention challenges are most stark and pay awards are most impactful. Pay still has an important role amongst more experienced teachers and leaders but, given the overall stronger and improving retention amongst teachers in their later career, awards more in line with expected settlements across the wider economy were appropriate.

Trade Union Views

- 3.38 Other consultees noted both the impact of the pandemic on the teaching profession and the previous year's pay freeze on the majority of teachers. Key points made included:
- The pandemic period had been the most difficult and stressful for the profession.
 - The 2021 pay freeze had had a negative impact on the competitiveness of teachers' pay and on teacher morale. This impact was still being felt against the backdrop of rising prices.
 - The Government's pay policy since 2010 had failed, resulting in real-terms cuts in pay for teachers and a worsening of wider working conditions.
 - The STRB should be able to fully exercise its role and avoid being restricted by affordability considerations. This was critical for confidence in the Review Body's independence. In oral evidence, several consultees said their members increasingly questioned the value of the Review Body process given these perceived constraints.
- 3.39 Several consultees were critical of the Treasury's economic evidence and presented alternative analysis, including that undertaken by the Trades Union Congress (TUC) and Incomes Data Research (IDR). It was also noted in supplementary evidence from some consultees that the current cost of living crisis was exacerbating the economic challenges for their members and that this should be recognised by the STRB.
- 3.40 NEOST supported the proposed two-year award and the additional certainty on pay that this would provide, although it noted possible risks if the economy changed. It said it continued to favour a cost of living award that was separate from performance-related increases and said most of the respondents to its survey indicated that the award should be applied equally across all groups of teachers to support recruitment and retention.
- 3.41 ASCL, the NEU, NAHT, the NASUWT and Voice issued a joint statement saying that:
- The STRB must consider the two-year award with reference to the real terms pay cuts that teachers and school leaders have suffered.
 - They would judge STRB's pay recommendations **against the extent to which the award was able to cover the accelerating rise in general living costs.**
 - They were united in opposing differential pay increases on the basis that these demoralised teachers and would add to retention issues.
- 3.42 Several of the teacher and leadership unions said their support for a two-year award was contingent on a meaningful review mechanism to protect their members against the inflationary pressures that would reduce real income levels. The NASUWT asked that the STRB request a separate remit for 2023 to consider a supplementary award to address the high and unpredictable levels of inflation. The NEU commented that the imposition of a multi-year award through the STRB mechanism was not acceptable and should most appropriately be part of a collectively agreed package of improvements to teacher pay and conditions.
- 3.43 In their individual submissions, all the unions sought significant pay increases for all teachers and school leaders. These included calls to restore teachers' pay to 2010 levels in real terms and for any pay award to match current levels of inflation as a minimum.

- 3.44 Following publication of the Pay and Conditions Document the Council is required to formally consult with Trade Unions to seek their views on the pay policy. This year there are no changes to the Bromley Pay Policy except for the Statutory pay increases to Teachers Pay and Allowances as set out in paragraph 2.2 above.
- 3.45 The Regional Teacher Trade Union representatives recognised by the Council have been sent a copy of this report for any further views/comments and any responses received will be verbally reported at the meeting for Members consideration.

4.0 IMPACT OF THE STRB RECOMMENDATIONS ON SPECIALIST EDUCATION SERVICES IN BROMLEY

4.1 The LA currently employs Teaching Staff in the following service areas:

- Specialist Support and Disability Services (The Phoenix Centre)
- Sensory Support Services
- Primary Pupil Support Advisory Team

As at 1st September 2022 this comprised **57** staff (**45.43** FTE) employed on Teacher Terms and Conditions of employment.

- 4.2 There is existing provision for each Teacher's salary to be reviewed annually. In addition, the LA already has an appraisal policy in place agreed by Members in autumn 2012. New Teaching Standards were introduced in 2012 and from September 2014 pay progression for all Teaching staff became directly linked to performance.
- 4.3 Since 2012 the STP&CD has provided the flexibility for LA's to set their own pay scales for Teachers with mandatory % increases only at the minimum and maximum of scales and allowances. As well as the Main Pay Range there are separate ranges for Unqualified, Upper Pay Range and Leadership staff.
- 4.4 The use of mandatory pay points was removed in 2015 and the ability to set pay scales linked to local circumstances, need and affordability was provided
- 4.5 At that time Bromley alongside many other LA's continued to set pay points with members of the Council determining the annual % increase for scales and Managers and Head Teachers determining any additional pay progression based on performance. In 2020 however the Government reintroduced advisory points for the Main Teaching Scale and these were adopted by the Council.
- 4.6 The current policy provides flexibility for managers in determining arrangements for Teachers' Pay for all Teaching staff including those employed on the leadership range. This includes flexibility regarding starting salaries and progression and is broadly consistent with the current principles applied to those staff employed by the Council on Localised Pay terms and conditions. This means that there is still the flexibility for Head Teachers and Heads of Service to progress Teachers within the salary scale based on performance.
- 4.7 The Council's centrally based teaching staff are specialised staff working with highly vulnerable pupils with special and complex needs. Recruitment and retention of staff to these posts remains essential and it is vital that salary packages are competitive in the wider teacher recruitment labour market.

4.8 The Council must implement the changes required by the SCTP&CD 2022 as this is a statutory requirement however it has discretion regarding those elements which are non- statutory.

5.0 **IMPACT ON VULNERABLE ADULTS AND CHILDREN**

5.1 There is no impact on vulnerable adults arising from this report however the teaching staff referred to in this report are specialist teaching staff delivering educational services to pupils with complex special needs.

6. **POLICY IMPLICATIONS**

6.1 The model policy is consistent with the Making Bromley Even Better Ambitions Framework Learning and Living well and Transforming Our Services. It continues to provide strategic leadership and support to Education Services in the Borough ensuring the organisation has a workforce of appropriate skills and experience to meet future challenges in delivering local priorities. Various elements of the model policy for teachers are similar or consistent with the key elements of the Council's local terms and conditions of service for all non- teaching staff employed by the authority.

7. **FINANCIAL IMPLICATIONS**

7.1 There are 57 relevant posts (equivalent to 45.43fte's).

7.2 The proposal to uplift salaries by at least 5% from September 2022 for the academic year as detailed in paragraph 3.6 will cost the following:-

COST OF UPLIFTS

	<u>£'000</u>
2022/23	83
2023/24	142

7.3 The costs above also contain elements of additional employers costs of National Insurance and Pensions, etc

7.4 These employees are funded from the Dedicated Schools Grant (DSG), a ringfenced grant used for Education purposes. The expectation would be that the increase in costs would be met from this grant in the first instance.

8. **PERSONNEL IMPLICATIONS**

8.1 As set out in this report

9. **LEGAL IMPLICATIONS**

9.1 Part 8 of The Education Act 2002 deals with the legal status of teachers pay and conditions. Section 122 gives the Secretary of State a power to prescribe pay and conditions for teachers and Section 127 recites that the Secretary of State after due consultation may issue guidance which a local authority and a school governing body shall have regard to in respect of teachers pay.

10. **PROCUREMENT IMPLICATIONS**

10.1 N/A

Non-Applicable Sections:	N/A
Background Documents: (Access via Contact Officer)	